

106TH CONGRESS
2D SESSION

S. 3101

To amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 25 (legislative day, SEPTEMBER 22), 2000

Mr. ASHCROFT (for himself and Mr. SESSIONS) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Reservists Tax Relief
5 Act of 2000”.

1 **SEC. 2. DEDUCTION OF CERTAIN EXPENSES OF RESERV-**
 2 **ISTS.**

3 (a) DEDUCTION ALLOWED.—Section 162 of the In-
 4 ternal Revenue Code of 1986 (relating to certain trade or
 5 business expenses) is amended by redesignating subsection
 6 (p) as subsection (q) and inserting after subsection (o) the
 7 following new subsection:

8 “(p) TREATMENT OF EXPENSES OF MEMBERS OF
 9 RESERVE COMPONENT OF ARMED FORCES OF THE
 10 UNITED STATES.—For purposes of subsection (a), in the
 11 case of an individual who performs services as a member
 12 of a reserve component of the Armed Forces of the United
 13 States at any time during the taxable year, such individual
 14 shall be deemed to be away from home in the pursuit of
 15 a trade or business during any period for which such indi-
 16 vidual is away from home in connection with such serv-
 17 ice.”.

18 (b) DEDUCTION ALLOWED WHETHER OR NOT TAX-
 19 PAYER ELECTS TO ITEMIZE.—Section 62(a)(2) of the In-
 20 ternal Revenue Code of 1986 (relating to certain trade and
 21 business deductions of employees) is amended by adding
 22 at the end the following new subparagraph:

23 “(D) CERTAIN EXPENSES OF MEMBERS OF
 24 RESERVE COMPONENTS OF THE ARMED FORCES
 25 OF THE UNITED STATES.—The deductions al-
 26 lowed by section 162 which consist of expenses

1 paid or incurred by the taxpayer in connection
2 with the performance of services by such tax-
3 payer as a member of a reserve component of
4 the Armed Forces of the United States.”.

5 (c) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to amounts paid or incurred in tax-
7 able years beginning after December 31, 2000.

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